

**INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE APPROVES STRATEGIC PLANNING
PROCESS, GIFTS FOR SCIENTIFIC ACTIVITIES**

Board Passes Resolution Opposing Senate Bill 401

LOS ANGELES, CA – The Independent Citizens' Oversight Committee (ICOC) today heard an update on the strategic planning process and approved a consulting contract to assist the board with the plan's development. The ICOC also accepted gifts totaling \$500,000 for the Institute's scientific activities in the coming year.

Zach Hall, Ph.D., President of the California Institute for Regenerative Medicine (CIRM), presented an update to the ICOC on the plan and public process for drafting the scientific research strategic plan. The presentation delineated the principles of the planning process, its organization, the composition of the Strategic Plan Advisory Committee and the integration of public participation through open meetings, public comments and interviews. The draft plan is scheduled to be delivered to the ICOC in October.

Public input will be sought at three public hearings in San Francisco, Los Angeles, and San Diego—modeled after the public process for the recently approved CIRM Medical and Ethical Standards and the Intellectual Property Policy for Non-Profit Organizations. Two scientific meetings will be held for ICOC members and the public in May and July, 2006, respectively, and one additional public hearing will be held for public comment and suggestion. Additional focus groups and interviews will be convened for particular constituencies, including patient advocates, the private sector and other funding agencies.

Hall announced that he had established an Advisory Committee for the drafting of the strategic plan which includes:

- Zach W. Hall, Ph.D., (Chair), CIRM President and CSO
- Robert Klein, Chair of the ICOC
- Ed Penhoet, Ph.D., Vice-Chair of the ICOC
- Jeff Sheehy, ICOC member, patient advocate
- Sherry Lansing, ICOC member, patient advocate
- Paul Berg, Ph.D., ICOC alternate
- David Baltimore, Ph.D., ICOC member
- William Rastetter, Ph.D., former President and CEO, Biogen-Idec
- George Daley, M.D., Ph.D., Harvard Medical School
- Steve Forman, M.D., City of Hope Hospital.

The Advisory Committee will meet every 3-4 weeks in public meetings to review progress, suggest new directions and to give general guidance and oversight during formulation of the plan.

"Drafting the scientific strategic plan will be an important first step in our ambitious program to use stem cells to develop therapies for disease and disability. To create the best possible plan for consideration by the ICOC, we will need the involvement of scientists, patient advocates, and members of the public," said Hall.

PricewaterhouseCoopers was selected between two proposals as the consulting firm to assist in the drafting of the strategic plan and will design an information gathering program to formulate

recommendations for the draft that will be presented to the ICOC. The contract is slated for approximately six months, and the total costs of the project will not exceed \$500,000.

The ICOC also considered the proposed Grants Administration Policy (GAP), which specifies the terms and conditions for grants awarded by the CIRM. The ICOC deferred approval, pending further research on the issue of indirect costs. CIRM staff is tasked with examining competing models for indirect costs of grant funding before the next ICOC meeting in June. With the ICOC's approval, the GAP will enter into the formal rulemaking process governed by the California Administrative Procedures Act.

In conjunction with the Intellectual Property Policy for Non-Profits and the Scientific and Medical Accountability Standards, the GAP will ensure that CIRM-funded research meets the highest standards for scientific integrity. The resulting regulations, like the Medical and Ethical Standards and the Intellectual Property Policy for Non-Profit Institutions, will carry the force and effect of law. The full text of the proposed GAP can be viewed online by visiting:
http://www.cirm.ca.gov/meetings/pdf/2006/04/040606_item_11.pdf.

The ICOC also accepted \$500,000 in donations to help fund scientific activities at the CIRM. The donors are as follows:

Ed Penhoet, Vice Chair, ICOC	\$50,000
E. Hugh Taylor	\$50,000
Richard K. Robbins	\$50,000
Richard and Rhoda Goldman Foundation	\$350,000.

"I am thrilled to see that California donors have stepped forward to help us begin finally to fund Prop. 71 stem cell effort," said ICOC board member and patient advocate Joan Samuelson. "These contributions are breathing life into a program that the lawsuits are threatening to starve to death."

While the ICOC reiterated their longstanding willingness to work with the members of the Legislature on their concerns, a majority of the board voted to support the position that the "ICOC believes that SB 401 is unnecessary and premature and therefore opposes the bill."

About CIRM

CIRM was established in 2004 with the passage of Proposition 71, the California Stem Cell Research and Cures Initiative. The institute is responsible for disbursing \$3 billion in State funds for stem cell research to California universities and research institutions over the next ten years and is overseen and governed by the Independent Citizens Oversight Committee (ICOC). For more information, please visit CIRM's Web site at www.cirm.ca.gov